

**Before the
Federal Communications Commission
Washington, D.C. 20554**

In the Matter of)	
)	
2014 Quadrennial Regulatory Review – Review of)	MB Docket No. 14-50
the Commission’s Broadcast Ownership Rules)	
and Other Rules Adopted Pursuant to Section)	
202 of the Telecommunications Act of 1996)	
)	
2010 Quadrennial Regulatory Review – Review of)	MB Docket No. 09-182
the Commission’s Broadcast Ownership Rules)	
and Other Rules Adopted Pursuant to Section)	
202 of the Telecommunications Act of 1996)	
)	
Promoting Diversification of Ownership in the)	MB Docket No. 07-294
Broadcasting Services)	
)	
Rules and Policies Concerning Attribution of Joint)	MB Docket No. 04-256
Sales Agreements in Local Television Markets)	
)	
Rules and Policies to Promote New Entry and)	MB Docket No. 17-289
Ownership Diversity in the Broadcasting Services)	

**REPLY COMMENTS OF THE
MEREDITH CORPORATION**

I. INTRODUCTION

Meredith Corporation’s Local Media Group (“Meredith”) is committed to diversity and inclusion. We therefore support the Commission’s efforts to define and implement an incubator program that satisfies legal requirements, properly incentivizes incumbent broadcasters, and provides clarity and certainty to potential female, minority, or otherwise disadvantaged broadcast new entrants and their financial backers. To that end, Meredith fully supports the comments of the National Association of Broadcasters in this proceeding and provides further comments below.

II. CONSTITUTIONALLY DEFENSIBLE QUALIFICATION STANDARDS WILL ALLOW FOR SUCCESS AND LONGEVITY OF ANY INCUBATOR PROGRAM

While Meredith does not disagree with the Small Business Administration's Socially and Economically Disadvantaged Businesses (SDB) standard or the Overcoming Disadvantages Preference (ODP) standard in concept, to best position any incubator program for longevity and success, the Commission must acknowledge previous judicial limits on the Commission's ability to make specifications based on category. (*See, e.g., Adarand Constructors, Inc. v. Pena*, 515 US 200 (1995)). Meredith therefore supports NAB's suggestion that the qualification threshold for an incubatee should be the Commission's new entrant bidding credit standard. Using this definition should be acceptable in any potential judicial review. Furthermore, and as described below, that standard allows for a level of objective certainty that is not fully available in the other standards.

III. INCENTIVES MATTER

Beyond the qualifications of an incubatee, the Commission must also consider what would incentivize an incumbent to incubate a potential future competitor. Many broadcasters are publicly traded, and therefore owe duties to a variety of stakeholders, including their shareholders. Providing the opportunity for ownership rule waivers (although attribution would still occur), as suggested by NAB, offers an incentive that would be attractive to broadcasters. That incentive applies to both private and publicly traded broadcasters who are attempting to grow value and fulfill their obligations to their shareholders, their communities, and the public interest. Without such an incentive, the finite resources of broadcasters would likely be devoted to other worthwhile endeavors which would hamper the success of the incubation program.

IV. CERTAINTY MATTERS TOO

The Commission, of course, may generally waive its rules at any time in the public interest so long as it complies with the Administrative Procedures Act. Pre-existing criteria for such waivers, however, enable private parties to explore and enter into arrangements with a higher degree of certainty of the Commission's response. Given opportunity costs and sunk costs of negotiating incubation relationships, broadcast parties - both incumbent and new entrant - need the Commission to provide specific, quantifiable, and achievable standards for when incubation and related waivers will be approved. If the Commission does not provide such guidance, providers of capital will be reticent to fund incubation projects and all parties will be unlikely to put forth the time and effort toward an uncertain end. Meredith therefore joins NAB in recommending clear, specific, and appropriate standards for incubation and waivers. The qualification requirements discussed above would go a long way to that certainty.

V. CONCLUSION

In conclusion, Meredith supports the Commission's efforts to implement an incubator program. Meredith believes that clear, specified rule waivers will incentivize incumbent broadcasters to participate and allow new entrants access to capital and potential partners. The Commission should use the new entrant bidding credit standard and specify clearly what criteria it will use to approve rule waivers related to incubation.

Respectfully submitted,



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